

DEPARTMENT OF STATE
THE UNDER SECRETARY


SECRET

June 1, 1955

MEMORANDUM FOR THE SECRETARY

Although I do not agree with all of Ambassador Conant's recommendations, it does appear that a fairly stiff line should be taken at an early date.

The full cooperation of Bonn would seem essential, however.


Herbert Hoover, Jr.

Attachment

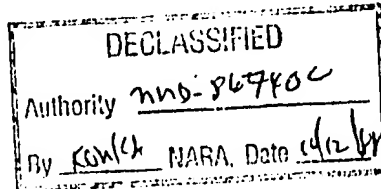
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THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

American Embassy,
Berlin, Germany,
May 21, 1955.

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Dear Foster:

I am venturing to trouble you with this personal letter about the situation in Berlin because our conversations with Pushkin yesterday were not only unsatisfactory, but from my point of view rather alarming.

You will have already received through telegraphic channels reports on the meeting. What I should like to present in this letter in some detail are the probable consequences of the courses of action which seem to lie before you and The President. I should like to emphasize, furthermore, that a decision between these courses must be made within a few weeks at most, as otherwise by failure to act we shall find ourselves on a course which looks the easiest but the consequences of which for the long run may well be most serious.

Let me present to you what I think will be the consequences of our failure to challenge the Soviet position and obtain from them satisfaction in regard to free access to Berlin. The Federal Republic of Germany has taken some steps already towards an economic blockade of the Soviet Zone, but these have only been in the nature of preliminary measures. Those responsible for giving licenses for export from the Federal Republic to the Soviet Zone have retarded the issuing of licenses. They are now at a point where they will either have to resume giving the licenses at a normal rate because of the pressure from their industrialists or break their trade agreements and declare economic war against the Soviet Zone. Naturally they are very loathe to take this final drastic step, for they are quite certain that in such an economic war the Soviet Zone can inflict considerable damage on them although everyone admits they, in turn, can do serious damage to the Soviet Zone and thus indirectly to the Soviet Government itself.

If the present situation continues and the Federal Republic continues to subsidize the truckers using the autobahn, the economic life of Berlin may remain without damage for the immediate future. However, under these conditions, it is almost certain that the permits to export materials to the Soviet Zone will have to be issued in their normal number and the Soviets will clearly realize that they have won a victory on that front. To be sure, at some later time it would be possible to

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The Honorable
John Foster Dulles,
Secretary of State,
Washington 25, D.C.

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institute an embargo and declare economic war, but it would be much harder to do so once the present stand has been abandoned. Furthermore, there is no assurance at all that if the Soviets believe they have won the present battle, they will not proceed to further harassments. This they could do by increasing the taxes still higher and by interfering with the barge traffic on the waterways, which traffic has already in the last few weeks been harassed by minor difficulties. Indeed, there is no end to the number of things that could be done to interfere with the transport of goods and people between the Federal Republic and West Germany. Each time when we protested such actions, we would presumably get the answer I received yesterday, namely, this was solely an affair of the German Democratic Republic and we should direct officials of the Federal Republic to get in touch with officials of the German Democratic Republic to settle these purely German matters.

The most serious statement which Pushkin made to us yesterday was that the German Democratic Republic was "master of the roads" in its territory. When I asked him what this meant and specifically raised the question whether that meant that the German authorities could increase taxes as much as they wished, regulate the type of vehicles using the roads and the hours at which the vehicles would operate, he replied these were artificial questions which he refused to answer. In short, he did not in any way modify his categorical statement that the German Democratic Republic was master of the roads to Berlin. I hardly need underline the consequences of our acceptance of this position.

It seems to me that a great deal is at stake in this issue. I am afraid that our French friends, and possibly even our British, may be only too inclined to agree with part of the Soviet thesis, namely that we might recognize the German Democratic Republic and the Federal Republic of Germany as being the competent authorities. That the consequences of this would be an endorsement of the division of Germany is obvious; furthermore, we should by handing over traffic control to the Germans negate all that we have said about our determination to sustain Berlin as a healthy economic outpost of freedom. For the life of Berlin depends on free access to Berlin.

What may be even more serious would be the effect on West Germany. I am afraid that if we cannot take a strong position on this matter of free access to Berlin, the political forces in the Federal Republic of Germany which have been oriented towards us will have their position undermined. I would venture to think that the Soviets are hoping to use the Austrian example not as an immediate pattern for the reunification of Germany, but after having strengthened their satellite government, that of the German Democratic Republic, they would then indicate by a merger of this government and some government in Bonn reunification could be assured. This is not something that is likely to happen within the

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next few months, but I think they are calculating in terms of years. Certainly there are politicians in West Germany who might be ready to go down a road looking to a merger of Pankow and Bonn without recognizing the validity of the Prague experience. From my point of view, this is perhaps the one way in which we might lose Germany. For unless the Germans in the Federal Republic are convinced that we are strong and ready to stand up against the Russians, it would only be natural if they should think there was more to be gained by being friendly to the Russians than to the United States. If I am at all right in this diagnosis, far more is involved at present than free access to Berlin, and far more than what is sometimes regarded as a mere matter of taxes on an autobahn.

I had a meeting this morning with General Cook and explained to him in some details what seemed to me the stakes which are here at issue. I outlined to him what I thought was the line of procedure which we, the United States, should take, though I recognize that many military considerations must be taken into account which I am not competent to pass judgment on. What I do feel strongly is that the consequences of the various alternatives we might embrace should be clearly recognized by the highest authorities in Washington. I have outlined above the consequences which would follow, in my opinion, from inaction or further acquiescence in the blackmail of the Soviet Union through their German agents, the German Democratic Republic. Let me try to be equally frank and clear about the consequences of what I am proposing as an alternative.

It must be admitted at the outset that if we challenge the Russians on this issue, war may be a consequence. It would certainly be far beyond my competence to weigh the probabilities of such an outcome or the consequences against the consequences I outlined above. I cannot help expressing the feeling, however, that the Russians would not in the last resort bring about a third world war if we were strong along the lines I shall now outline, but I do not want to dodge the final implications.

What I would propose would be the following. First, either at once or immediately following the British elections, the three Western Powers orally present their views to Moscow as to the seriousness of Pushkin's stand and the present situation; that they indicate that unless immediate action is taken to remedy the situation, all talk of a 4-power talk must be abandoned; and that instead of speaking about a climate of opinion which is relaxing, we shall be in a state of tension which is most serious indeed. If the secret negotiations bring about no result, then in a very short time this stand should be taken in public and we should announce there would be no 4-power talks until the problem of free access to Berlin was settled.

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Assuming that there is no successful outcome of the secret talks and that a public statement of our unwillingness to meet on a 4-power basis as long as the Berlin situation remains unclarified was ineffective, then I would advocate the following course: First, agreement by the Federal Republic of Germany that they would be prepared to institute the severest possible economic measures against the Soviet Zone and hold to them irrespective of whatever counter-measures the Soviet Zone might put into effect. At the same time, I would try to get the approval of the other NATO members to join in this economic blockade. At a date to be determined in advance, this action should be announced and at the same time the Federal Republic would stop subsidizing the trucking to and from Berlin. Simultaneously the United States, with the concurrence of the two Western Occupying Powers, would announce (a) that they were going to make a payment to the Soviet Union at the previous rate for the maintenance of the roads to and from Berlin and (b) that they were going to move civilian goods by U.S. vehicles,--in short, that we were going into the trucking business. If the Soviets reply that they would stop such vehicles by force, then either we would test the reality of that proclamation by sending trucks to the checking point with or without a military escort (on this point I am not prepared to be too specific) or announce that the Soviet Union had broken its 1949 agreement as to free access to Berlin a second time. This action would demonstrate to the entire world that what was involved here was free access to Berlin for civilian goods and not a mere haggling about fees (which at present seems to be the general impression in some parts of the world). I think if the Russians persisted in refusing to allow the Occupation Powers to keep Berlin's economic life healthy by means of a trucking service, then we should institute an airlift for this same purpose. This could be kept going long enough to ensure that this whole problem would be brought to focus in the United Nations and by other means. If the Russians should shoot down our planes or stop our military vehicles (which they now say they will not interfere with), then the possibilities of a general war would be just over the horizon. How long we could operate an airlift without bringing about a general war, I am not prepared to say. It seems to me, we would be back to 1948, but in a stronger position since a severe economic blockade of the Soviet Zone would be a weapon in our hand which in a few months would yield some results.

Of one thing I am quite sure, namely that the process of rearming West Germany would be speeded up to a degree by such a series of actions that it is hard for us now to imagine. I further venture the prophecy that if we proceed carefully along some such lines as I have indicated, we can hold not only the major parties in the Bundestag on our side, but probably get considerable support from the Social Democrats as well. What the position of our French and British allies would be is harder to estimate, but in view of the public position taken by the Foreign Ministers of those countries, it is hard to see how they can publicly renege on the principles for which we shall be taking expensive and drastic action.

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I have not discussed any of these details with my British and French colleagues, nor with the Chancellor. I did have an opportunity of speaking briefly with Hallstein Thursday night. I said that if our conversations with Pushkin were unsuccessful, I hoped the Federal Republic would be willing to take drastic measures along economic lines, even though such measures would lead to reprisals that would hurt Western Germany. He agreed with me, and I think we can count on his support of such a program as I have in mind, and the Chancellor's. However, unless we are ready to go at least as far as I have indicated in challenging the Russian contention about the mastery of the roads to and from Berlin, we cannot expect the Federal Republic to declare economic war on the Soviet Zone. If anything effective is to be done, we must act together.

In conclusion, let me point out that we are by no means presenting the Soviets with a hard alternative. There are several ways in which they can get out of their present position without undue loss of face. One method which is least satisfactory from our point of view would be for them to direct their East German representative in the Treuhandstelle (an unofficial group for furthering East-West trade) to negotiate with the West German representative and agree on an annual or monthly payment of a fee to cover the costs of maintaining the roads to and from Berlin. A settlement of the problem of high fees came about in 1951 through the Treuhandstelle. If the reduction were to an amount comparable with that previously charged, then the immediate payment of blackmail would have ceased. But the basic issue of who controls the roads would not have been settled. Indeed, this was unfortunately left uncertain in 1951 when fees for the use of the autobahn were first instituted. Nevertheless, because of the inherent dangers of the whole situation, I would favor accepting a solution at the Treuhandstelle level provided we at some later 4-power meeting insisted on a restatement of the 1949 agreement, with the addition that any fees charged for the use of the autobahn should be reasonable as determined by negotiations between the four occupying powers.

Another way in which the Soviets could get out of their difficulty would be simply to concede our reading of the 1949 agreement to the effect that fees on the autobahn were by implication included. They might say that as a concession to relaxation of international tensions, they would be willing to have their experts sit down with our experts to decide what were the reasonable fees. We might even be willing to go so far as to agree that these two experts would be drawn on our nomination from the East German government and the West German government, respectively, but we would have to insist, I should think, on these experts reporting to the four Ambassadors. I should like to underline again what seems to me the impossibility of our agreeing to Pushkin's

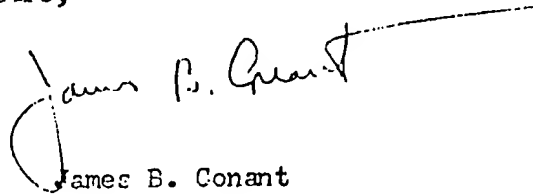
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position of yesterday, namely that we ask the Federal Republic of Germany to name an official who would meet with an official of the German Democratic Republic to decide on the extent and nature of the fees to be collected on the autobahn.

Another possibility, to which I have referred in an earlier communication to the Department, is to concede the right of the German Democratic Republic to be master of the roads in the Soviet Zone except the three roads from the Federal Republic to West Berlin. (The 1949 agreement could be interpreted in this way.) The Russians in turn would concede li-power responsibility for and control of road, rail and water transport to Berlin from the Federal Republic.

In short, if the Russians really want to settle this issue, it seems to me there are a number of openings in the field of negotiations. It seemed quite clear from Pushkin's behavior yesterday that he was under strict instructions not to reach an agreement. I suppose he was so instructed lest it be thought that any agreement reached in a meeting of the four Ambassadors would be the equivalent to a victory for our fundamental principle, namely the li-power responsibility for access to Berlin, including the fees on the autobahn.

Very sincerely yours,


James B. Conant

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